Lessons from CCUS Projects in Illinois

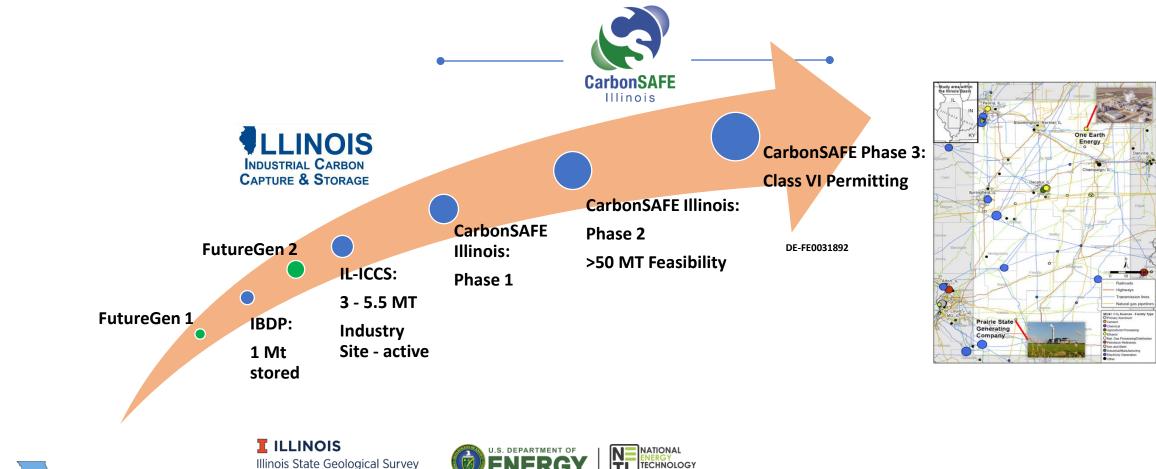
Opportunities, Challenges, and Lessons Learned of CCUS

Louisiana Industrial Decarbonization Special Session
October 19th 2021

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Illinois' Experience on the Road to CCS Commercialization





2000's









Technical Feasibility

IBDP

 Demonstrated capture, transport, secure storage, and monitoring of 1 million tonnes of CO₂ from biofuel production in an onshore saline reservoir ~1.5 miles deep

IL-ICCS

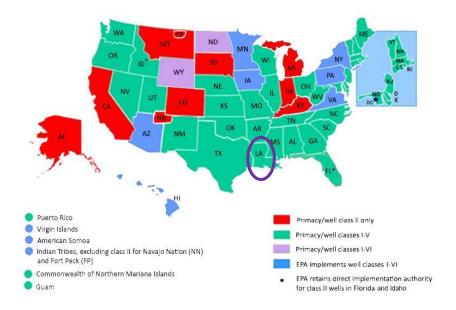
Ongoing commercial injection operations under Class VI

Technology transfer from oil & gas industry - decades of experience

Transportation Infrastructure will be required – e.g. pipelines



Class VI Permitting



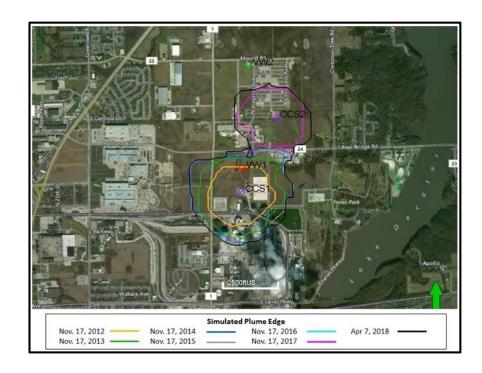
All Six Class VI permits have been issued in Illinois, only two are in use:

- Well CCS1 Illinois Basin Decatur Project
 - Post-injection site care (PISC) completed (~6 years)
- Well CCS2 Archer Daniels Midland (IL-Industrial Sources CCS)
 - Full operations permit, 10-year PISC
- FutureGen 2.0 4 permits issued, withdrawn when ARRA funding expired
- Permitting has been rate-limiting step for both Illinois projects
 - 3 years to issue permit, 3 years to receive permission to inject
- Key issue: Uncertainty lies between issuance of final permit and authorization to inject – up to 3 years
- Accelerate timing of permitting
 - Impacts ability to realize 45Q tax credit
 - Project Risk

Risks

should be addressed within Class VI permit submission

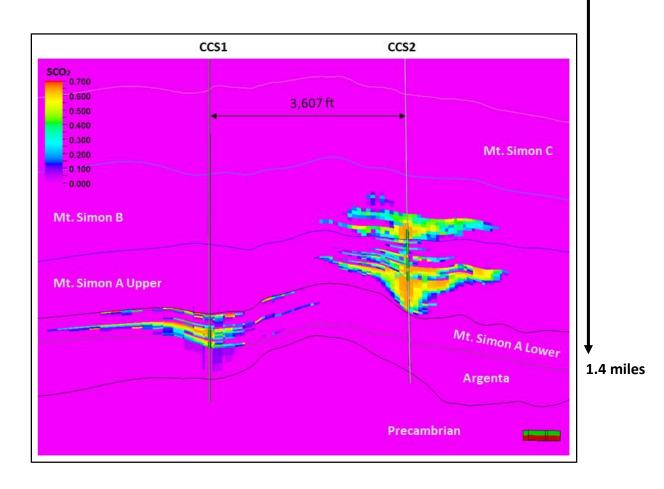
- Leakage
 - Legacy well bores
 - Unidentified geologic features
 - Area of Review
- Induced seismicity
 - Passive seismic monitoring
- Migration beyond project boundaries
 - Monitoring Plan



Ability to Monitor & Model

- There are a wide range of technologies than can be used to monitor and model CO₂ in the subsurface
 - Instrumented monitoring wells
 - Surface seismic
 - Downhole sensors
- This helps identify conformance or non-conformance
 - Mitigation of risks
- Used for quantification and verification of storage

Illinois CCS Sites





Stakeholder Engagement



Project Stakeholder Engagement

- Conduct projects to demonstrate safety and address gaps in knowledge or experience.
- Engage local stakeholders, regulators, and project developers.
- 3. Provide proof of concept.

Policy Stakeholder Engagement

- Create effective legal and regulatory mechanisms and policy to support widespread deployment of CCUS.
- Engage lawmakers, coalitions, policymakers, and industry.
- Set policy to incentivize CCUS actions and development.
- Identify common ground and potential opposition points.

Public Stakeholder Engagement

- Create public engagement programs and opportunities.
- Engage the public to build trust in carbon management.
- 3. Increase understanding and support.
- Connect with the "big picture"— economy, climate, creation of jobs.

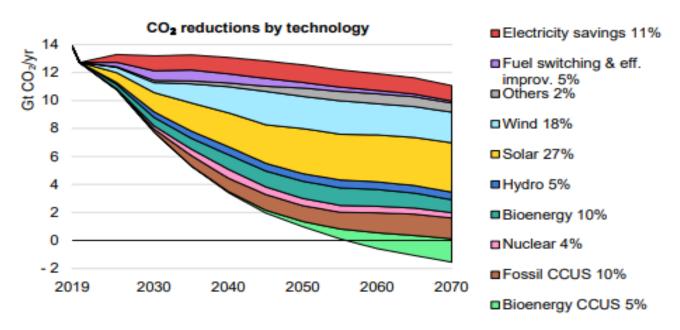
Greenberg, 2019. Stakeholder spheres of engagement.

Incentives

- Policy drivers are necessary for commercialization
- Tax credits such as 45Q
- Public-private initiatives

Societal demand for action

CCUS provides a technology to decarbonize a wide range of industries including heavy industries with no other option such as cement and steel – and unlocking the potential of hydrogen production



Recommendations

- Stakeholder engagement process needs to start early and be more robust than what is required in permitting process
- Cultivate knowledgeable stakeholders
 - Provide factual information Inform about potential risks and benefits
 - Address perceived risks
- Support primacy regulatory efforts
 - ensure capacity, capability, and protocols to properly administer, monitor, and manage these activities.